



County of Los Angeles **CONTRACTOR HEARING BOARD**

713 Kenneth Hahn Hall of Administration • Los Angeles, California 90012

*Member Departments:
Chief Administrative Office
Office of Affirmative Action Compliance
Internal Services Department
Department of Public Works*

June 14, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

DEBARMENT OF ADVANCED BUILDING MAINTENANCE (ALL DISTRICTS AFFECTED) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the proposed findings, decision, and recommendations of the Contractor Hearing Board to debar Advanced Building Maintenance and its principal owners, Michael Sullivan and Erlinda Sullivan, from bidding on, being awarded, and/or performing work on any contracts for the County of Los Angeles for a period of 36 months from the date of your Board's approval.
2. Instruct the Executive Officer, Board of Supervisors, to send notice to Michael Sullivan, Erlinda Sullivan, and Advanced Building Maintenance, advising of the debarment action taken by your Board.
3. Instruct the Director of Internal Services to enter this determination to debar Advanced Building Maintenance, Michael Sullivan, and Erlinda Sullivan into the Contract Data Base.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended debarment action against the contractor, Advanced Building Maintenance, and its principal owners, Michael Sullivan and Erlinda Sullivan, is to ensure the County of Los Angeles (County) contracts only with responsible contractors who comply with the terms and conditions of their County contracts, and with any relevant Federal, State, and local laws.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Vision which supports shared values of integrity, professionalism, and accountability, and envisions the County as the premier organization for those working in the public's interest with a pledge to always work to earn the public trust.

FISCAL IMPACT/FINANCING

Not applicable.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contractor Non-Responsibility and Debarment Ordinance

The Contractor Non-Responsibility and Debarment Ordinance, County Code Chapter 2.202, provides the County with the authority to terminate contracts and debar contractors when the County finds, in its discretion, that the contractor has done any of the following:

- Violated a term of a contract with the County or a nonprofit corporation created by the County;
- Committed an act or omission which negatively reflects on the contractor's quality, fitness, or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on the same;
- Committed an act or omission which indicates a lack of business integrity or business honesty;
- Made or submitted a false claim against the County or any other public entity.

In considering debarment, the County may consider the seriousness and extent of the contractor's acts, omissions, patterns, or practices and any relevant mitigating factors.

Contractor Hearing Board (CHB) Responsibilities

County Code Chapter 2.202, the Contractor Non-Responsibility and Debarment Ordinance, established the CHB to provide an independent review of the contracting department's recommendation to debar a contractor. The CHB is chaired by a representative from the Chief Administrative Office (CAO) and includes one representative from the Office of Affirmative Action Compliance (OAAC) and the Departments of Internal Services (ISD) and Public Works (DPW), respectively. The CAO is a nonvoting member except in the event the debarment action is initiated by the OAAC, ISD, or DPW. In such instances, the CAO exercises its vote and the CHB member from the department bringing the debarment action must recuse himself/herself from any participation in the hearing. In this particular debarment hearing, the representative from ISD did not sit on the CHB because of a potential conflict of interest arising from ISD's prior contractual relationship with Advanced Building Maintenance. Therefore, the CAO representative voted.

In December 2004, the Public Library requested the CAO to convene the CHB to initiate debarment proceedings against Advanced Building Maintenance and its principal owner(s) for violation of the terms of the four contracts with the County Public Library; commission of an act or omission which negatively reflects on the contractor's quality, fitness, or capacity to perform a contract with the County, or engagement in a pattern or practice which negatively reflects on same; commission of an act or offense which indicated a lack of business integrity or business honesty; and submission of false claims against the County.

These acts were discovered during a review by the Auditor-Controller of a number of Advanced Building Maintenance contracts with four County Departments, the Public Library, ISD, DPW, and the Probation Department, and allegations of labor violations against Advanced Building Maintenance by current and former employees.

On January 14, 2005, the Public Library sent a certified letter to Michael Sullivan and Erlinda Sullivan notifying them of the Department's intent to initiate debarment proceedings against Advanced Building Maintenance and its principal owner(s) at a hearing scheduled for February 2, 2005 at 1:00 p.m., in the Kenneth Hahn Hall of Administration, Assessment Appeals Board Room B-28, Room D (Attachment I). The contractor requested postponement and the hearing was eventually scheduled for March 10, 2005 at 1:00 p.m., in Assessment Appeals Board Room B-28, Room D, of the Kenneth Hahn Hall of Administration (Attachment II). Advanced Building Maintenance, Michael Sullivan, Erlinda Sullivan, as well as their attorney, Lorne Lilienthal, were provided notices of the proposed debarment action and hearing before the CHB.

The hearing was conducted and, due to the length of the testimony of various witnesses, the matter was continued, publicly noticed for, and heard on March 28, at 2:00 p.m., in the Assessment Appeals Board Room B-28, Room E, of the Kenneth Hahn Hall of Administration. The hearing concluded on April 6, 2005, at which time the CHB voted to recommend contractor debarment for the period of 36 months. The proceedings were recorded and an audiotape is available upon request, as well as all documents entered into the record as exhibits during the hearing.

- Attachment III is a listing of the exhibits that were entered into the record.
- Attachment IV is a listing of CHB members, participating attorneys and witnesses.

SUMMARY OF EVIDENCE AND ARGUMENT

On behalf of the Public Library, the County Counsel submitted a legal brief that described, among other things, the Auditor-Controller's review of Advanced Building Maintenance's performance as required by the contract. The Public Library presented witness testimony and written documentation to show that:

- Advanced Building Maintenance significantly underperformed on the required tasks as further discussed below.
- Advanced Building Maintenance also failed to pay its own employees appropriate overtime.
- Advanced Building Maintenance also did not retain employee time records as required by State law.
- In as early as 2001, the Public Library monitoring staff found that the noncompliance rate for Advanced Building Maintenance in regard to its contract requirements for specialty tasks was so high that a \$23,000 deduction was necessary. As a result of this failure to complete the required tasks, Advanced Building Maintenance submitted extra billings over a two-year period; yet, the Auditor-Controller report found the same type of noncompliance with Advanced Building Maintenance.
- Advanced Building Maintenance repeatedly failed to perform all specialty cleaning tasks, such as periodic waxing of floors, shampooing of carpets, and washing blinds and windows. Specialty tasks take place when the facility is closed, library users are gone, and no one is there to supervise the work of custodial staff. Consequently, supervision occurs "after the fact" via record maintenance, inspection, and report. Accordingly, the County must rely heavily on the business integrity of Advanced

Building Maintenance to perform the specialty tasks according to schedule. Of the 51 tasks between October 2003 and March 2004, 23 of 51 tasks (45 percent) were not performed as required by the contract. The Public Library's later internal review confirmed the pattern that Advanced Building Maintenance failed to perform the required tasks, even beyond the audit period, to the conclusion of the contract term.

- Although Advanced Building Maintenance did not complete many of the specialty cleaning tasks as required by contract, the company continually billed the Public Library for the full monthly amount under the contract as if all tasks had been completed. Advanced Building Maintenance billed and was paid for work not performed under these contracts over multiple months and years.
- The president of Advanced Building Maintenance, Michael Sullivan, made statements at the Auditor-Controller's exit conference indicating that Advanced Building Maintenance was knowingly not performing all the work it contracted to perform, claiming that it was an "industry standard" that total compliance with all service specifications was not feasible or necessary and would cost more than they bid. This practice amounts to knowingly submitting false claims against the County, as well as lack of business integrity.

It was also noted that in response to the Auditor-Controller's findings regarding this contractor, the Public Library has taken steps to strengthen the monitoring of its contracts.

In response to the Public Library's contentions, Mr. Lorne Lilienthal, the attorney for Advanced Building Maintenance and its principal owners, Mr. Michael Sullivan and Ms. Erlinda Sullivan, submitted a legal brief to the CHB and presented additional testimony and documentation to show that:

- The Auditor-Controller's report did not give Advanced Building Maintenance credit for certain tasks performed that exceeded what the schedule required (e.g., windows were cleaned three times per year when the contract only required semi-annual cleaning).
- The Auditor-Controller's report was a defectively flawed, "form over substance," approach which only examined whether there were completion forms (wax tickets) to verify whether tasks were completed. The defect of this approach was that the Auditor-Controller never personally inspected the premises of each library.
- Public Library inspections, which were not conducted, would have revealed that it was literally impossible for Advanced Building Maintenance to perform all of the services due to circumstances beyond its control.

- Specifically, the Auditor-Controller's findings were inaccurate for the following reasons:
 - The Public Library's recent January 2005 audit determined that Advanced Building Maintenance allegedly failed to perform only 118 tasks for 2003 as opposed to the Auditor-Controller's findings which incorrectly determined that 199 tasks were allegedly not performed.

(In response, staff from the Auditor-Controller contended that the discrepancy in the number of findings between the two audits was largely due to the fact that their audit took into account all the specialty tasks required in the contract such as strip and wax, window cleaning, carpet shampooing, blinds, upholstered furniture, etc. In contrast, the Public Library's review was based only on specialty tasks where they could charge a monetary penalty (or deduction) for not performing the task.)

- The Public Library's findings did not account for the fact that the parties had reached an understanding whereby the Major Task Schedule was to act as a guideline rather than be construed strictly. This was demonstrated by the fact that Advanced Building Maintenance performed approximately 55 tasks in excess of the contractual requirements on an as-needed basis. Advanced Building Maintenance did not believe it was always necessary to perform specific, contractual tasks when an inspection revealed that a particular library remained clean.
- The report improperly determined that Advanced Building Maintenance failed to clean nonexistent library equipment. For example, although the contracts required Advanced Building Maintenance to shampoo carpets in all libraries, some libraries did not have carpeting and were only covered in tile flooring.
- Advanced Building Maintenance was delayed or prevented from completing certain tasks in libraries undergoing construction, namely the Library Headquarters, because County employees denied Advanced Building Maintenance access to the facilities.

(In response, Auditor-Controller staff indicated that they accounted for these factors in their audit.)

- A review of selected wax tickets indicated that the Auditor-Controller's audit improperly exaggerated the number of required tasks not completed by the contractor.

(In response, County Counsel pointed out that the subject wax tickets examined during the hearing were not signed by Library staff as the contract required, and, therefore, could not be relied upon to accurately reflect actual work completed.)

- The report did not take into account the fact that tile floors could not be stripped where the floors were in disrepair and stripping would have destroyed the tiling.
- There was no evidence that Advanced Building Maintenance intentionally failed to substantially perform its contractual requirements as set forth in the 2003 Major Cleaning Schedule. Rather, each time the Public Library issued a notice to take corrective action; Advanced Building Maintenance would promptly satisfy the department's request.
- If Advanced Building Maintenance intended to avoid its obligations, it would have ignored the Public Library's requests and there would be a clear paper trail showing that Advanced Building Maintenance is non-responsive to the Public Library's concern.
- The policy of not performing each and every task required under the Master Cleaning Schedule and, rather, regarding this as a general guideline, was an "industry standard" approach and should not be held against Advanced Building Maintenance.
- If the Public Library had a concern that work needed to be performed, a notice to take corrective action would be issued, and Advanced Building Maintenance would consistently and promptly take the necessary measures to address the department's concerns.

FINDINGS AND RECOMMENDED DECISION

After considering the evidence and arguments presented by the parties, the CHB found that:

- Advanced Building Maintenance had committed multiple breaches of the contract, which reflect both a pattern and practice that negatively reflects on its capacity to perform the tasks require.
- Advanced Building Maintenance did not submit sufficient evidence to support its claim that not performing all the tasks required in the Master Cleaning Schedule was an "industry standard" practice.
- Michael Sullivan and Erlinda Sullivan were the principal owners of Advanced Building Maintenance.

- As noted by one member of the CHB, based on the evidence presented and the testimony, "the issue of the unpaid wages did not seem to be intentional, payroll mistakes are not uncommon, however, the practice seemed to be systematic." The CHB member stated that the employees should have been reimbursed for the unpaid wages by now. In addition, this CHB member noted that the Public Library RFP provided for an alternative method of providing services that could provide the same level of services at a lower cost. This method could have been utilized by Advanced Building Maintenance to their "industry standard" approach; however, the contractor did not take advantage of this opportunity thus nullifying the contractor's argument on this issue. The CHB member also stated that "Advanced Building Maintenance never had the intention to comply with the requirements of the proposal or the contract."
- Another member of the CHB pointed out that "Advanced had only completed approximately 36 percent of the required tasks." The CHB member noted that the contract was a "binding document to ensure compliance by both parties and after the contractor was informed of their shortcomings in regard to the contract requirements, there was no improvement on the contractors' behalf based on the evidence presented." Based on best business practices, Advanced Building Maintenance should have acknowledged their deficiencies and made corrections without being "forced" to take action by Public Library.
- The third member of the CHB was unsure as to the intent by the contractor to underpay. However, it seemed clear that the repeated lack of compliance demonstrated by the contractor, the contractor's failure to regard the contract as a binding document, and the continued billing for services not performed indicated a lack of business integrity or honesty. In addition, the contract requirements are specific and unambiguous, and do not provide for the deviation exhibited by the contractor. This member concluded that if the contract was a "performance results" contract, then the contractor may have a good argument that they could use their discretion in performing various tasks as long as the results were that the libraries were clean and maintained. However, the Library contract was a service requirements contract which specified how the County wants the services performed. The CHB member also noted that the contractor indeed understood that the County expected complete compliance with contract service specifications because the Public Library had cited them previously in 2001 for failing to perform all services, and pursuant to the contract, deducted \$23,000 for this reason. Finally, this CHB member noted that the contractor's argument that it was "industry practice" to never intend to fully meet all contractual obligations was clearly self-serving, allowing them to bid a lower price and gain an unfair competitive advantage over their competitors.

Therefore, by unanimous vote, the CHB decided to recommend to your Board that Advanced Building Maintenance and its principal owners, Mr. Michael Sullivan and Ms. Erlinda Sullivan, be debarred for the maximum period of 36 months (three years). In making this recommendation, the CHB considered the repeated and blatant violations of the terms of the contract committed by Advanced Building Maintenance, the multiple acts which negatively reflected on the contractor's quality, fitness, or capacity to perform a contract with the County and which indicated a lack of business integrity or business honesty, and the submission of false claims against the County.

IMPACT ON CURRENT PROJECTS

Not applicable.

CONCLUSION

The Contractor Non-Responsibility and Debarment process is working as your Board intended to help assure that the County contracts only with responsible contractors who comply with all relevant laws, as well as the terms and conditions of their contracts. The process has also identified potential areas for County contracting program improvements to promote a better understanding of contracting requirements.

Respectfully submitted,



MARTIN K. ZIMMERMAN
Chair, Contractor Hearing Board
Acting Branch Manager, Chief Administrative Office

MKZ:VLA:os

Attachments (4)

- c: David E. Janssen, Chief Administrative Officer
Margaret Donnellan Todd, County Librarian
Dennis A. Tafoya, Affirmative Action Compliance Officer
J. Tyler McCauley, Auditor-Controller
Raymond G. Fortner, Jr., County Counsel
Dave Lambertson, Director of Internal Services
Donald L. Wolfe, Acting Director of Public Works
Michael Sullivan, President/Owner of Advanced Building Maintenance
Erlinda Sullivan, Vice President/Owner of Advanced Building Maintenance
Lorne Lilienthal, Attorney at Law

County of Los Angeles Public Library
 7400 East Imperial Hwy., P.O. Box 7011, Downey, CA 90241-7011
 (562) 940-8461, TELEFAX (562) 803-3032



MARGARET DONNELLAN TODD
 COUNTY LIBRARIAN

January 14, 2005

VIA FACSIMILE AND U.S. MAIL

Nicholas P. Roxborough
 Roxborough, Pomerance & Nye, LLP
 5820 Canoga Avenue, Suite 250
 Woodland Hills, CA 91367

Michael Sullivan, President/Owner,
 Advanced Building Maintenance
 10830 E. Whittier Boulevard
 Whittier, CA 90606

Erlinda Sullivan, Vice President/Owner,
 Advanced Building Maintenance
 10830 E. Whittier Boulevard
 Whittier, CA 90606

**NOTICE OF LOS ANGELES COUNTY DEBARMENT HEARING
 RE: CONTRACTS WITH ADVANCED BUILDING MAINTENANCE
 COMPANY: FEBRUARY 2, 2005; AND
 REQUEST FOR CONFIRMATION OF APPEARANCE**

Dear Mr. Roxborough, Mr. and Mrs. Sullivan:

This letter will serve as notice to you, as the attorneys and principals/owners for Advanced Building Maintenance Company, ("Advanced") that the County of Los Angeles in a proceeding initiated by the Public Library department on behalf of the County of Los Angeles and the three other involved County departments, intends to initiate debarment proceedings against Advanced Building Maintenance Company, Michael Sullivan, President/Owner, and Erlinda Sullivan, Vice President/Owner ("Contractor"). Please note that the definition of Contractor for purposes of debarment includes any subcontractor, vendor, or any person or entity who owns an interest of ten percent or more in the contractor, subcontractor, or vendor of your custodial services to the County of Los Angeles. Debarment would prohibit Contractor from bidding upon, being awarded, and/or performing any work on any contract with the County of Los Angeles for a specified period of time not to exceed three (3) years. Chapter 2.202 of the Los Angeles County Code authorizes this debarment action. The County Code is available on line at the County website www.lacounty.info. Implementation Guidelines and Procedures for Debarment Proceedings are enclosed as a convenience.

Serving the unincorporated areas of Los Angeles County and the cities of: Agoura Hills • Artesia • Avalon • Baldwin Park • Bell • Bell Gardens • Bellflower • Bradbury • Carson • Claremont • Compton • Cudahy • Cuver City • Diamond Bar • Duarte • El Monte • Gardena • Hawaiian Gardens • Hawthorne • Hermosa Beach • Hidden Hills • Huntington Park • La Canada Flintridge • La Habra • Heights • Lakewood • La Mirada • Lancaster • La Puente • La Verne • Lawndale • Lomita • Lynwood • Malibu • Manhattan Beach • Maywood • Montebello • Norwalk • Palmdale • Pico Rivera • Rosemead • San Dimas • San Fernando • San Gabriel • Santa Clarita • South El Monte • South Gate • Temple City • Walnut • West Covina • West Hollywood • Westlake Village

Nicholas P. Roxborough
Michael Sullivan
Erlinda Sullivan
January 14, 2005
Page 2

A Debarment Hearing will be held where the Contractor Hearing Board will hear evidence on the proposed debarment. At the hearing, Contractor is entitled to appear and/or be represented by an attorney or other authorized representative to present evidence against a finding of debarment. At the hearing, Contractor's representative may offer documentary evidence, present witnesses, and offer rebuttal evidence.

After the hearing, the Contractor Hearing Board will prepare a proposed decision. This decision will contain a recommendation to the Los Angeles County Board of Supervisors as to whether or not the Contractor should be debarred and, if so, the appropriate length of time for debarment. The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors has the right to modify, deny, or adopt the Contractor Hearing Board's proposed decision and recommendation. Any debarment finding shall become final upon the approval of the Board of Supervisors.

You are hereby notified that the Debarment Hearing will be held on:

| | |
|------------------|---|
| DATE: | Wednesday, February 2, 2005 |
| TIME: | 1:00 p.m. to 5:00 p.m. |
| LOCATION: | Kenneth Hahn Hall of Administration Room B-28 D 500 W. Temple Street Los Angeles, CA 90012 |

This action is being taken as Contractor has violated a term of four contracts with the County Public Library, committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, or engaged in a pattern or practice which negatively reflects on same, and committed an act or offense, which indicates a lack of business integrity or business honesty and submitted false claims against the County. These acts were discovered during a review by the County Auditor-Controller of a number of Advanced contracts with four County Departments, the Public Library, the Internal Services Department, the Department of Public Works, and the Probation Department, and allegations of labor violations against Advanced by current and former employees. The facts supporting the County's allegations, are, in part, summarized in the attached audit report dated August 26, 2004, which includes a response from your company dated August 11, 2004. Other investigation of County records relating to the contracts with the Public Library also supports the County's position. It is the Library's position at this time that the evidence will show, among other things, that Advanced did not perform all of the specific tasks required by the contract, but that Advanced billed the County for tasks not performed on multiple occasions and was paid for work not performed.


You must confirm with the department, either orally or in writing, whether you and/or your representative intend to be present at the hearing. Your response must be received no later than 12 o'clock noon, on January 26, 2005. Failure to confirm the hearing date or otherwise respond to this office may result in Advanced waiving all rights to a hearing before the Contract Hearing Board ("CHB"). The County will provide Contractor a list of prospective witnesses and copies of all documentary evidence at least five (5) days prior to the scheduled hearing. If the Contractor intends to present evidence against the proposed debarment, the Contractor must provide to the County a list of prospective witnesses and copies of any documentary evidence in the same time frame.

Nicholas P. Roxborough
Michael Sullivan
Erinda Sullivan
January 14, 2005
Page 3

The parties must each provide the CHB five (5) copies of each item so exchanged. **The deadline date for exchange of the list and documents is January 26, 2005.** The mailing address for David Flint at the Library, and the department heads of the other involved departments, as well as the CHB are listed here for your convenience.

If you have any questions or wish to confirm your attendance at the hearing, please contact David Flint, Assistant Director, Finance and Planning, at (562) 940-8406.

Very truly yours,


Margaret Donnellan Todd
County Librarian

MDT:DF:jc

Attachments

c: County Counsel

Contractor Hearing Board
c/o Chief Administrative Office
723 Kenneth Hahn Hall of Administration
500 W. Temple St.
Los Angeles, CA 90012

David Flint, Assistant Director
Public Library
7400 E. Imperial Hwy
Downey, CA 90242

Don Wolfe, Acting Director
Department of Public Works
900 S. Fremont Ave.
Alhambra, CA 91803

Dave Lambertson, Director
Internal Services Department
1100 N. Eastern Ave., 2nd floor
Los Angeles, CA 90063

Paul Higa, Acting Chief Probation Officer
Probation Department
9150 E. Imperial Hwy
Downey, CA 90242

**IMPLEMENTATION INSTRUCTIONS
PROCEDURES FOR DETERMINATIONS OF CONTRACTOR
NON-RESPONSIBILITY AND CONTRACTOR DEBARMENT**



TABLE OF CONTENTS

| | | |
|------|--|---|
| I. | Introduction | 1 |
| II. | General Description of the Ordinance | 2 |
| A. | Determination of Contractor Non-Responsibility | 2 |
| B. | Debarment of Contractors | 3 |
| III. | Requirements for Invitation for Bids (IFBs), Requests for Proposals (RFPs), and Contracts | 4 |
| A. | IFB and RFP Solicitation Documents | 4 |
| B. | Standard Contract Language | 5 |
| IV. | Contractor Performance Monitoring | 5 |
| A. | All Contracts | 5 |
| B. | Proposition A/Living Wage, Cafeteria Services, Information Technology and Construction Contracts - County Contract Data Base | 5 |
| V. | Specific Departmental Roles | 7 |
| A. | All County Departments | 7 |
| B. | Internal Services Department (ISD) | 7 |
| C. | Office of Affirmative Action Compliance (OAAC) | 7 |
| D. | Auditor-Controller (A-C) | 7 |
| E. | Department of Public Works (DPW) | 7 |
| F. | Chief Administrative Office (CAO) | 7 |
| G. | County Counsel | 8 |

Table of Contents (con't)

| | | |
|-------------|--|-----------|
| VI. | Non-Responsibility Determination | 8 |
| A. | Departmental Assessment of Cause for a Non-Responsibility Finding | 9 |
| B. | County Counsel Assistance | 10 |
| C. | Written Notice of Departmental Non-Responsibility Hearing | 10 |
| D. | Non-Responsibility Hearing | 11 |
| E. | Recording the Departmental Hearing | 13 |
| F. | Proposed Decision and Recommendation to the Board of Supervisors | 14 |
| G. | Board of Supervisors | 14 |
| H. | Contract Data Base Entry | 14 |
| VII. | Debarment Determination | 15 |
| A. | Departmental Assessment of Cause for a Debarment | 16 |
| B. | County Counsel Assistance | 16 |
| C. | Contractor Hearing Board (CHB) | 16 |
| D. | Written Notice of CHB Debarment Hearing | 17 |
| E. | Debarment Hearing | 18 |
| F. | Recording the CHB Hearing | 21 |
| G. | Deliberations of the CHB | 21 |
| H. | Proposed Decision and Recommendation to the Board of Supervisors | 21 |

Table of Contents (con't)

| | | |
|-------|--|----|
| I. | Board of Supervisors | 23 |
| J. | Contract Data Base Entry | 23 |
| VIII. | List of Debarred Contractors | 23 |
| IX. | Department Head Annual Certification of Compliance | 23 |

EXHIBITS

| | | |
|-------------|--------------------------------------|----|
| Exhibit I: | Standard Solicitation Language | 24 |
| Exhibit II: | Standard Contract Language | 27 |

IMPLEMENTATION OF PROCEDURES FOR DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY AND CONTRACTOR DEBARMENT

On January 11, 2000, the Los Angeles County Board of Supervisors adopted an ordinance for Determinations of Contractor Non-Responsibility and Contractor Debarment (Ordinance), Los Angeles County Code Chapter 2.202, which is applicable to all County contracts except to the extent applicable State and/or Federal laws are inconsistent with the terms of the Ordinance.¹ These Implementation instructions provide guidelines and necessary interpretation to assist departments in implementing the Ordinance.

I. INTRODUCTION

In adopting the Ordinance, the Board made a finding that, in order to promote integrity in the County's contracting processes and to protect the public interest, the County's policy shall be to conduct business only with responsible contractors. Requirements for finding contractors non-responsible and debarring contractors are applicable to all County contracts, unless Federal or State law otherwise applies.

Other procedures in these Implementation Instructions describe the requirements for development and use of a County Contract Data Base to monitor contractor performance and contractor labor law violations; these procedures are applicable only to Proposition A/Living Wage, cafeteria services, information technology, and construction contracts.

Individual departments remain responsible for reviewing past contractor performance (e.g., past labor law issues on both County and non-County contracts) prior to recommending contracts, monitoring contractor performance, inputting relevant contractor information in the County Contract Data Base, recommending findings of non-responsibility, and initiating debarment procedures, as applicable.

Semi-annually, the Office of Affirmative Action Compliance (OAAC) and the Internal Services Department (ISD) will jointly review the County Contract Data Base to assess departmental follow up on documented violations or other performance deficiencies which may merit debarment. Information in the County Contract Data Base will pertain to current and prospective contracts. Contractors will be required to disclose past performance as part of the solicitation process.

¹ Minor revisions to the Ordinance were adopted by the Board of Supervisors on February 10, 2004.

Contractor performance problems and contractor labor law violations that are identified in the semi-annual Contract Data Base review, and for which the relevant department has not initiated appropriate action, will be referred to the Chief Administrative Office (CAO) and the Auditor-Controller (A-C). These two departments will jointly work with the contracting department to determine if the department should pursue debarment of a contractor. The A-C also has responsibility for overall monitoring of departmental compliance with Ordinance requirements.

Department heads will be required to annually certify to the A-C that they have complied with all required procedures including: 1) completing at least annual contractor performance reviews, 2) inputting required information in the County Contract Data Base, as appropriate, and 3) proceeding with non-responsibility and debarment procedures, where required.

II. GENERAL DESCRIPTION OF THE ORDINANCE

A. Determination of Contractor Non-Responsibility

The Ordinance provides that prior to a contract award, the County may determine that a contractor submitting a bid or proposal (bidder/proposer) is non-responsible for purposes of that contract. A finding of non-responsibility means that the bidder/proposer is prohibited from being awarded and/or performing work on that contract. This finding would be appropriate if the bidder/proposer has done any of the following:

- (1) Violated a term of a contract with the County or a nonprofit corporation created by the County;
- (2) Committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same;
- (3) Committed an act or omission which indicates a lack of business integrity or business honesty; or
- (4) Made or submitted a false claim against the County or any other public entity.

Such bidders/proposers are entitled to written notice of the basis for the proposed non-responsibility finding and a hearing before the department head or his/her designee. The department head makes a recommendation regarding finding of non-responsibility to the Board of Supervisors. The Board can modify, deny, or adopt the recommendation of the department. The Board makes the final determination of non-responsibility.

NOTE: Finding a bidder/proposer non-responsible is not the same as finding a bidder/proposer non-responsive to solicitation requirements.

- ✓ **Non-responsibility** refers to finding a bidder/proposer incapable of performing as a responsible County contractor, based on past performance history or other relevant documentation.
- ✓ **Non-responsive** generally refers to the failure of a bidder/proposer to comply with some or all solicitation requirements making the bidder/proposer ineligible for consideration in bid/proposal evaluation process. It is generally not a reflection on the bidder's/proposer's capacity to perform as a responsible County contractor and does not require the exercise of the department's judgment in determining whether the bidder/proposer is responsive. In some instances, however, the distinction may not be clear based on the nature of the bidder's/proposer's omission. If department staff are unsure as to whether an action by a bidder/proposer is an indication of non-responsibility or non-responsiveness, County Counsel shall be consulted.

B. Debarment of Contractors

The Ordinance provides that the County may debar a contractor who has had a contract with the County in the preceding three years and/or a contractor who submits a bid or proposal for a new contract with the County. Debarment would be appropriate if the County finds that the contractor has:

- (1) Violated a term of a contract with the County or a nonprofit corporation created by the County;
- (2) Committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same;
- (3) Committed an act or omission which indicates a lack of business integrity or business honesty; or,
- (4) Made or submitted a false claim against the County or any other public entity.

Such a contractor is entitled to written notice of the basis for the proposed debarment and a hearing before the Contractor Hearing Board (CHB), comprised of CAO, ISD, OAAC, and the Department of Public Works (DPW). The CHB makes a recommendation to the Board regarding whether the contractor should be debarred and, if so, the appropriate length of time for the debarment. The Board can modify, deny or adopt the recommendation of the CHB. A debarment finding becomes final upon the approval of the Board.

Debarment results in a contractor being prohibited from bidding or proposing on, being awarded and/or performing work on a contract with the County for a period up to three years. Any or all existing contracts with a debarred contractor may be terminated. A debarred contractor is identified as such in the County Contract Data Base.

III. REQUIREMENTS FOR INVITATION FOR BIDS (IFBs), REQUEST FOR PROPOSALS (RFPs), AND CONTRACTS

As of February 10, 2000, the following requirements set forth in the Ordinance are effective for all solicitations and contracts, except to the extent applicable State and/or Federal laws are inconsistent with the terms of the Ordinance.

A. IFB and RFP Solicitation Documents

All IFB and RFP solicitations shall include the standard language as provided in Exhibit I. In addition, the most current listing of debarred contractors, which is available from the County Contract Data Base, shall be included in all solicitation packages.

B. Standard Contract Language

All County contracts shall include the standard language as provided in Exhibit II.

IV. CONTRACTOR PERFORMANCE MONITORING

A. All Contracts

Departments remain responsible for monitoring contractor performance and compliance with all contract terms, consistent with existing Board policy that requires at least an annual evaluation of contractor performance.

B. Proposition A/Living Wage, Cafeteria Services, Information Technology and Construction Contracts - County Contract Data Base

Separate data bases for construction, information technology, cafeteria services, and Proposition A/Living Wage contracts have been merged into a single County Contract Data Base hosted by ISD which is available at the following County Intranet site:

<http://camispnc.co.la.ca.us/contractsdatabase>.

Departments are responsible for entering specific performance information into the County Contract Data Base for all existing and prospective Proposition A/Living Wage, cafeteria services, information technology and construction contracts. This information includes contract identifying information and contractor performance data, contractor compliance with contract wage requirements, and contractor labor law violations. Training on the County Contract Data Base has been provided to departmental contracting staff.

1. Initial Identifying Information.

Contract identifying information which department staff must input for the affected contracts includes:

- a) Contractor Identifying Information;
- b) Contract Number;
- c) Contract Title;
- d) Service Type (Proposition A/Living Wage, Cafeteria Services, Construction, or Technology) and Sub-Type (e.g., custodial (Prop A), hardware (Technology), public works construction (Construction));

- e) Department Name;
- f) Department Contact Name and Phone Number;
- g) Initial Contract Term (e.g., 3 years plus 2 one-year optional extensions);
- h) Contract Start/Effective Date;
- i) Contract End Date (without optional extensions);
- j) Contract End Date after Exercise of All Optional Extensions;
- k) Contract Cost (Annual Cost).

This information shall be entered into the County Contract Data Base upon the Board's or the department head's delegated authority approval of the affected contract. Department heads shall designate specific staff to input and update the County Contract Data Base.

2. Contractor Performance Information

Departments must enter performance information into the County Contract Data Base "Report Card", answering "yes" or "no" to standard questions. The County Contract Data Base and Report Card must be updated by departments at least annually in conjunction with the required contractor performance review, but more frequently if performance problems are identified and documented. If a contract period is less than one year, the County Contract Data Base and Report Card shall be updated by departments at the end of the contract period, at a minimum.

3. Semi-Annual Review of the County Contract Data Base

Failure by departments to enter contract identifying information and performance information at least annually, or at the conclusion of a shorter term contract, will trigger the identification of such contracts in a semi-annual review of the County Contract Data Base by ISD and OAAC. Such contracts will be identified to the CAO and the A-C for further review and discussion with the contracting department. In addition, indications of performance problems that have not been acted upon by a department will similarly generate an inquiry and an assessment of the need for further action, including consideration of debarment proceedings.

V. SPECIFIC DEPARTMENTAL ROLES

The following briefly describes the roles of designated departments in the contract monitoring and non-responsibility/debarment process.

- A. All County departments:** Responsible for timely and accurate input into the County Contract Data Base and for taking remedial action with respect to contractor performance problems, where appropriate. This includes investigating and bringing charges for non-responsibility and debarment proceedings. Also required to append a list of debarred contractors to all IFBs and RFPs.
- B. Internal Services Department:** Participates with OAAC in the semi-annual review of the County Contract Data Base to identify potential problem contractors which show no indication of departmental action. ISD will provide contracting expertise related to contract performance monitoring. ISD will also host the County Contract Data Base, and participate as a member of the CHB.
- C. Office of Affirmative Action Compliance:** Participates with ISD in the semi-annual review of the County Contract Data Base to identify potential problem contractors which show no indication of departmental action. OAAC will provide expertise related to monitoring prevailing wage, labor law violations, employment discrimination, civil rights violations, and Living Wage compliance. Also participates as a member of the CHB.
- D. Auditor-Controller:** After notification by ISD and OAAC of a potential problem with a contractor, the A-C and CAO will work with the relevant department to determine if the department should pursue debarment of contractor. A-C also evaluates the contract monitoring process in conjunction with departmental audits, and provides countywide auditing expertise.
- E. Department of Public Works:** Participates on the CHB to bring expertise in the variety of contracts they administer, including construction contracts.
- F. Chief Administrative Office:** After notification by ISD and OAAC of a potential problem with a contractor, the CAO and A-C will work with the relevant department to determine if the department should pursue debarment of contractor. CAO will also participate on the CHB to bring general contracting and countywide perspective to the process. The CAO will chair the CHB as a non-voting member to prevent tie votes, except in instances when a contract before the CHB involves ISD, DPW, or OAAC. In such an instance, the relevant departmental representative will not participate in the hearing to avoid the appearance of a conflict and CAO will exercise its vote in place of that department. If a contract before the

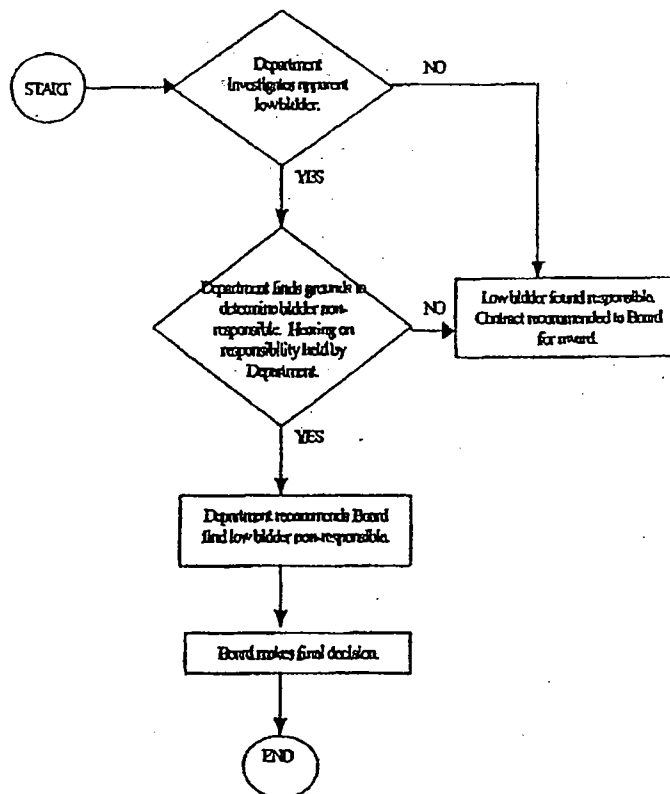
CHB involves CAO, the other departmental representatives shall designate an acting chair (who will also be a voting member), and CAO will not participate in the hearing.

- G. **County Counsel:** County Counsel staff will provide legal advice to departments throughout the process. Separate County Counsel staff will act as legal advisor to the CHB.

VI. NON-RESPONSIBILITY DETERMINATION

During a contract solicitation process, a department can recommend to the Board that a bidder/proposer be found non-responsible to perform services under the proposed contract, based on criteria established in the Ordinance. (See Section II A.)

A flow chart for the non-responsibility process is shown below.



A. Departmental Assessment of Cause for a Non-Responsibility Finding

In pursuing a finding of non-responsibility against a bidder/proposer, the burden of proof is on the department and must be established by a preponderance of the evidence.

1. Department staff who become aware of information concerning the existence of a cause for finding a bidder/proposer non-responsible shall immediately advise departmental management, who shall promptly notify appropriate County Counsel staff.
2. Departments shall promptly investigate any reports of information concerning the existence of a cause for a non-responsibility finding. The following are examples of responsibility factors that a department may consider in assessing responsibility:
 - ✓ General reputation and experience of the bidder/proposer.
 - ✓ Bidder's/proposer's ability to serve the County.
 - ✓ Financial ability of the bidder/proposer to successfully meet the requirements of the contracts.
 - ✓ Prior knowledge of and experience with the bidder/proposer in terms of past performance.
 - ✓ Nature and extent of company data furnished by bidder/proposer upon request of the County.
 - ✓ Bidder's/proposer's experience with the commodities or service.
 - ✓ Length of time the commodities or services have been on the market.

Departments must develop evidence/documentation to support such a finding and discuss the adequacy of the documentation with the assigned County Counsel staff. In addition to the above considerations, a department must include the results of inquiries into past performance on other County and/or other governmental agency contracts, wage and/or other labor law violations. The seriousness and extent of the bidder's/proposer's acts, omissions, patterns or practices as well as any relevant mitigating factors may be considered in determining whether a bidder/proposer should be deemed non-responsible.

B. County Counsel Assistance

County Counsel will consult with and assist the department in determining if there is sufficient cause to proceed with a non-responsibility hearing and provide legal advice throughout the process.

C. Written Notice of Departmental Non-Responsibility Hearing

1. Before initiating a hearing on a bidder's/proposer's responsibility, the department shall send written notice to the bidder/proposer stating that the department intends to recommend to the Board of Supervisors that the bidder/proposer be found non-responsible. The notice shall specify the basis for the proposed recommendation of non-responsibility and a summary of any evidence to support such recommendation.

The notice shall also include the date, time and place of the hearing before the department head/designee.

The notice shall also advise the bidder/proposer that the parties may agree to submit the matter on the basis of documentary evidence only.

2. The notice shall also advise the bidder/proposer that the bidder/proposer is required to confirm with the department that the bidder/proposer and/or representative intends to attend the hearing.
3. The notice shall also advise the bidder/proposer that failure to confirm with the department the hearing date or otherwise respond to the notice may result in the bidder/proposer waiving all rights to a hearing before the departmental hearing officer.
4. Before a department sends a written notice to a bidder/proposer pursuant to this Section, such notice must be approved by management at the department and County Counsel. County Counsel will advise as to the appropriate delivery method for the notice. At minimum, the notice should be delivered by certified mail to the last known address of the bidder/proposer, or of the bidder's/proposer's attorney, if the department knows that the bidder/proposer is represented by an attorney.
5. Notices made pursuant to this Section shall be deemed served and effective upon the date the notice is provided in person or by facsimile, or two days after sending by first class mail.

D. Non-Responsibility Hearing

On the date and place specified in the notice, the department shall conduct a hearing where evidence on the proposed non-responsibility determination is presented; the burden of proof is on the department and must be established by a preponderance of the evidence.

1. Departmental Hearing Officer

The department head, or a designee, shall conduct the hearing, examine the evidence on the issue of a bidder's/proposer's responsibility, and prepare a proposed decision and recommendation to the Board of Supervisors regarding whether the bidder/proposer should be found non-responsible. The person acting as the departmental hearing officer must be a different person than the department staff who investigates or presents the charges in support of a finding of non-responsibility at the hearing.

2. Departmental Investigator

The department head shall designate a department staff member who will investigate information concerning the existence of a cause for finding a bidder/proposer non-responsible. The departmental investigator may also act as the departmental advocate (see below).

3. Departmental Advocate

The department head shall designate a department staff member who will present charges of a bidder's/proposer's non-responsibility at a hearing before the departmental hearing officer.

4. County Counsel Representation

County Counsel staff will provide legal advice and representation, as necessary to the departmental investigator/advocate. County Counsel staff will also provide legal advice to the departmental hearing officer. The departmental investigator/advocate and the departmental hearing officer shall be advised by separate County Counsel staff.

5. Bidder/Proposer, Attorney/Authorized Representative

The bidder/proposer and/or attorney or other authorized representative of the bidder/proposer shall be afforded an opportunity to appear at the hearing and to submit documentary evidence, present witnesses and offer rebuttal evidence. An authorized representative may be designated by the bidder/proposer in person at the hearing or by letter received at or prior to the departmental hearing, signed by the bidder/proposer who submitted the bid/proposal.

6. Presentation of Evidence and Rebuttal

- a. At the departmental hearing, the department shall first present evidence to support a finding that a bidder/proposer is non-responsible. During the department's presentation of its case, the bidder/proposer or representative of same shall not interrupt or challenge the presentation, unless otherwise agreed to by both parties and the departmental hearing officer.
- b. The person, on behalf of the department, who presents the charges of non-responsibility has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a finding that the bidder/proposer is non-responsible.
- c. After the department's presentation of its case, the bidder is proposer and/or representative of same shall present evidence to support a finding that the bidder/proposer is responsible and to rebut evidence that is the basis for the department's recommendation. During the bidder's/proposer's or representative's presentation of his or her case, the department shall not interrupt or challenge the presentation, unless otherwise agreed to by both parties and the departmental hearing officer.
- d. The bidder/proposer and/or representative has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a finding that the bidder/proposer is responsible and to rebut evidence that is the basis for the department's recommendation.
- e. Each party shall have the opportunity to rebut the evidence presented by the other party.

- f. The departmental hearing officer may ask questions, seek clarification and request additional information from the parties at any time during the hearing. The departmental hearing officer has discretion to continue the hearing as necessary.
- g. The departmental hearing officer shall close the hearing at the conclusion of the presentation of the evidence. All evidence to be considered by the departmental hearing officer shall be submitted prior to the close of the hearing, unless otherwise specified by the departmental hearing officer.

7. Rules of Evidence

Formal rules of evidence do not apply in the departmental hearing. At the hearing, the departmental hearing officer can consider all relevant information on the issues related to the subject of the hearing, as long as the information presented is the sort of information on which responsible persons are accustomed to rely in the conduct of serious affairs.

8. Burden of Proof and Standard of Proof

The burden of proof is on the department proposing a non-responsibility determination and must be established by a standard of preponderance of the evidence. Preponderance of the evidence means proof by information that, compared with that opposing it, leads to the conclusion that the fact at issue is more probably true than not.

E. Recording the Departmental Hearing

The hearing before the departmental hearing officer shall be recorded by any method deemed appropriate by the hearing officer (audio tape, video tape, reporter/transcriber) and a copy of the record of the proceeding shall be made available to the bidder/proposer at cost, upon request.

F. Proposed Decision and Recommendation to the Board of Supervisors

1. After the hearing, the departmental hearing officer shall prepare a proposed decision, which shall contain a recommendation regarding whether the bidder/proposer should be found non-responsible regarding the contract(s) at issue. The departmental hearing officer's proposed decision and recommendation regarding whether the bidder/proposer be found non-responsible shall be based on the record of the hearing.
2. In making the proposed decision and recommendation, the departmental hearing officer may consider such items, including but not limited to, the seriousness and extent of the bidder's/proposer's acts or omissions, patterns or practices, as well as any mitigating or aggravating factors presented at the hearing.
3. The department shall present to the Board of Supervisors the proposed decision, a recommendation on a finding of non-responsibility and a record of the hearing before the department.
4. The department shall give notice to the bidder/proposer of the proposed decision and recommendation. The notice shall include the proposed decision and recommendation and specify the date, time and place of the hearing before the Board of Supervisors. Delivery of the notice should be by certified mail to the bidder/proposer or representative of same.

G. Board of Supervisors

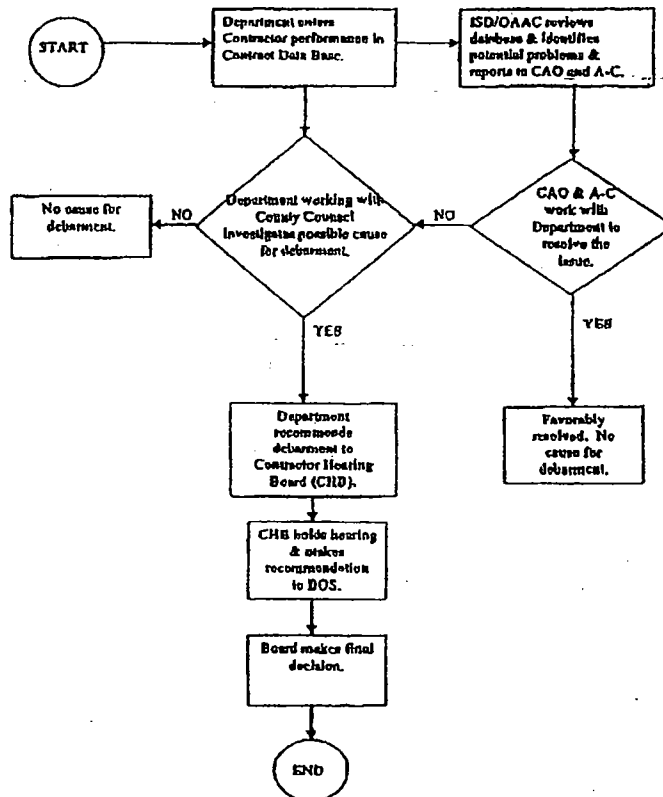
The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors has the right to modify, deny or adopt the proposed decision and recommendation of the departmental hearing officer. A non-responsibility finding shall become final upon approval of the Board of Supervisors; If non-responsibility is determined, the bidder/proposer is ineligible for the award of the contract(s) at issue.

H. Contract Data Base Entry

Designated departmental staff shall enter a Board of Supervisors' finding of non-responsibility into the County Contract Data Base. (See Section IV. B above for information on the Contract Data Base)

VII. DEBARMENT DETERMINATION

The County may debar a contractor who has had a contract with the County in the preceding three years and/or a contractor who has submitted a bid or proposal for a new contract with the County. Debarment is an action taken by the County that results in a contractor being prohibited from bidding or proposing on, being awarded, and/or performing work on a contract with the County for a period of up to three years. A contractor who has been determined by the County to be subject to such a prohibition is "debarred." A flow chart for the debarment process is shown below.



A. Departmental Assessment of Cause for Debarment

In pursuing a debarment action against a contractor, the burden of proof is on the department and must be established by a preponderance of the evidence. The ordinance provides basic guidelines for making such a finding. (See Section II B.)

Contractor performance problems may be identified during routine contract monitoring, the annual performance review, A-C reviews, the semi-annual review of the County Contract Data Base by ISD and OAAC, and/or other reports of information concerning the existence of a cause for a debarment action, including complaints from the public or contractor employees.

Departments shall promptly investigate any report of contractor performance that may justify debarment. When a department staff member becomes aware of performance problems or any cause that potentially merit debarment action, the department staff member shall immediately advise departmental management who shall promptly notify the appropriate County Counsel.

The department head shall designate a department staff member who will investigate information concerning the existence of a cause for debarment.

B. County Counsel Assistance

County Counsel staff will consult with and assist the department in determining if there is sufficient cause to proceed with a debarment hearing and provide legal advice throughout the process.

C. Contractor Hearing Board

1. Composition/Structure

The CHB is comprised of the CAO, ISD, OAAC and DPW. The CAO functions as the chair to call meetings as necessary to hear departmental debarment cases. County Counsel acts as a legal advisor to the CHB.

As chair, the CAO is a non-voting member of the CHB except in the instance when the contract at issue involves ISD, DPW or OAAC. In such an instance, the relevant departmental representative will not participate in the hearing and CAO will exercise its vote in the place of that departmental representative. If a contract before the

CHB involves CAO, the other departmental representatives shall designate an acting chair (who will also be a voting member), and CAO will not participate in the hearing.

2. Scheduling the CHB Hearing

The department requesting a debarment hearing shall contact the Office of Unincorporated Area Services and Special Projects, Chief Administrative Office to schedule a hearing date. The CAO shall confirm a hearing date with the other CHB member departments that is responsive to the needs of the department. The requesting department shall be advised of the hearing date for purposes of issuing a written hearing notice to the contractor subject to the debarment process, consistent with the requirements in Section IV D, below.

D. Written Notice of CHB Debarment Hearing

1. Before initiating a debarment hearing before the CHB, the department shall send written notice to the contractor stating that the department intends to recommend that the contractor be debarred. The notice shall specify the basis for the proposed debarment recommendation and a summary of any evidence to support such recommendation. The notice shall also include the date, time and place of the hearing before the CHB.

The notice shall also advise the contractor that the parties may agree to submit the matter to the CHB on the basis of documentary evidence only.

2. The notice shall also advise the contractor of the following:
 - a. The contractor is required to confirm with the department that the contractor and/or representative intend to attend the CHB hearing.
 - b. Failure of a contractor to confirm with the department the hearing date or otherwise respond to the notice within the time provided may result in waiver by the contractor of all rights to a hearing before the CHB.
 - c. The department will provide to the contractor a list of prospective witnesses and copies of all documentary evidence to the contractor at least five (5) days prior to the

scheduled hearing. The CHB shall be provided five (5) copies of each item so exchanged.

- d. If the contractor intends to present evidence against the proposed debarment, the contractor must provide to the department a list of prospective witnesses and copies of any documentary evidence to the department at least five (5) days prior to the hearing. The CHB shall be provided five (5) copies of each item so exchanged.
 - e. The names and mailing addresses of the individuals to whom all copies shall be delivered.
- 3. Before a department sends a written notice to a contractor pursuant to this Section, such notice must be approved by department management and County Counsel staff. County Counsel will advise as to the appropriate method of delivery. At minimum, the notice should be delivered by certified mail to the last known address of the contractor, or of the contractor's attorney, if the department knows that the contractor is represented by an attorney.
 - 4. Notices made pursuant to this Section shall be deemed served and effective upon the date the notice is provided in person or by facsimile, or two days after sending by first class mail.

E. Debarment Hearing

On the date and place specified in the written notice to the contractor, the CHB shall conduct a hearing where evidence on the proposed debarment action is presented by the department initiating such debarment action and rebuttal information is provided by the contractor. The burden of proof is on the department and must be established by a preponderance of the evidence.

1. Contractor Hearing Board

The chair of the CHB shall conduct the hearing and CHB members shall examine the evidence on the issues of the proposed debarment and the recommended period of debarment, and prepare a proposed decision and recommendation to the Board of Supervisors regarding whether the contractor should be debarred and, if so, the appropriate length of time for debarment, not to exceed three years.

2. Departmental Investigator

The departmental investigator may act as the departmental advocate at a CHB hearing (see below).

3. Departmental Advocate

The department head shall designate a department staff member who will present charges in support of contractor debarment at a CHB hearing.

4. County Counsel Assistance

County Counsel staff will provide legal advice, as necessary, to the department initiating the debarment action. County Counsel staff will also provide legal advice to the CHB. The department and the CHB shall be advised by separate counsel.

5. Contractor, Attorney/Authorized Representative

The contractor and/or attorney or other authorized representative of the contractor shall be afforded an opportunity to appear at the hearing and to submit documentary evidence, present witnesses and offer rebuttal evidence. An authorized representative may be designated by the contractor in person at the hearing or by letter received at or prior to the hearing, signed by the contractor who submitted the bid/proposal or who executed the contract.

6. Presentation of Evidence and Rebuttal

a. At the hearing, the departmental advocate, or the department's counsel, shall first present evidence to support a finding that a contractor should be debarred. The department's presentation shall also include a recommendation of the proposed period of debarment and any evidence in support thereof. During the department's presentation of its case, the contractor or representative of same shall not interrupt or challenge the presentation, unless otherwise agreed to by both parties and ordered by the CHB.

b. The departmental advocate, or the department's counsel, who presents the charges in support of debarment has the right to call and examine witnesses, to cross-examine

opposing witnesses, to present documentary or any other evidence in support of a debarment determination.

- c. After the department's presentation of its case, the contractor and/or the contractor's representative shall be afforded an opportunity to present evidence to support a finding that the contractor should not be debarred and to rebut evidence that is the basis for the department's recommendation. The contractor may also present evidence relevant to the proposed period of debarment.

During the contractor's or contractor's representative's presentation of his or her case, the department shall not interrupt or challenge the presentation, unless otherwise agreed to by both parties and ordered by the CHB.

- d. The contractor and/or the contractor's representative has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a finding that the contractor should not be debarred and to rebut evidence that is the basis for the department's debarment recommendation.
- e. Each party shall have the opportunity to rebut the evidence presented by the other party.
- f. Members of the CHB may ask questions, seek clarification and request additional information from the parties at any time during the hearing. The CHB has discretion to continue the hearing, as necessary.
- g. At the conclusion of the evidentiary presentations, each party may provide an oral, closing statement to the CHB. The Chair of the CHB shall then close the hearing. All evidence to be considered by the CHB shall be submitted prior to the close of the hearing, unless otherwise specified by the Chair.

7. Rules of Evidence

Formal rules of evidence do not apply in the CHB hearing. At the hearing, the CHB can consider all relevant information on the issues related to the subject of the hearing, as long as the information presented is the sort of information on which

responsible persons are accustomed to rely in the conduct of serious affairs.

8. Burden of Proof and Standard of Proof

The burden of proof is on the department proposing debarment and must be established by a standard of preponderance of the evidence. Preponderance of the evidence means proof by information that, compared with that opposing it, leads to the conclusion that the fact at issue is more probably true than not.

F. Recording the CHB Hearing

The hearing before the CHB shall be recorded by any method deemed appropriate by the Chair (audio tape, video tape, reporter/transcriber) and a copy of the record of the proceeding shall be made available to the contractor at cost, upon request.

G. Deliberations of the CHB

1. Upon closing of the evidentiary portion of the hearing, the CHB shall deliberate and vote on whether to recommend that the contractor should be debarred.
2. If a majority of the CHB votes in the affirmative to recommend debarment, the CHB shall then deliberate and vote on the recommended period of debarment.
3. The chair shall announce the decision of the CHB and inform the parties that a written, tentative proposed decision and recommendation will be prepared and transmitted within a reasonable period of time to the parties for review and comment. No additional evidence or testimony will be received.
4. All deliberations and voting by the CHB shall be conducted in public during the hearing.

H. Proposed Decision and Recommendation to the Board of Supervisors

1. After the hearing, the CHB shall prepare a written tentative proposed decision, which shall contain a recommendation regarding whether or not the contractor should be debarred and, if so, the appropriate length of time for debarment, not to exceed

three years. The CHB's proposed decision and recommendation regarding debarment shall be based on the record of the hearing.

2. In making the tentative proposed decision and recommendation, the CHB may consider such items, including but not limited to, the seriousness and extent of the contractor's acts or omissions, patterns or practices, as well as any mitigating or aggravating factors presented at the hearing.

Examples of items or factors that may be considered by the CHB include but are not limited to the length and extent of the department's experience with the contractor; overall contractor performance on the subject contract or on past or other existing contracts; and existence of previous contractor violations or deficiencies, or commendations, on other County contracts.

3. The CHB shall transmit its tentative proposed decision and recommendation to the parties and provide notice of a hearing to consider written objections to the tentative proposed decision.
 - a. A contractor or the department may submit objections to the tentative proposed decision of the CHB.
 - b. All objections shall be made in writing and transmitted to the CHB (with a copy to the other party) at least five (5) days before the scheduled hearing.
 - c. All objections must specify the portion(s) of the tentative proposed decision and recommendation and the basis for the objections. These objections shall be based on the tentative proposed decision. No new evidence or issues will be considered.
 - d. If no objections are received by the CHB, the hearing will be canceled.
 - e. After conducting a hearing or if the parties waived the right to a hearing on the proposed tentative decision, and after consideration of the written objections, the CHB may modify, correct or otherwise amend the proposed decision and recommendation as it deems appropriate.
4. The CHB shall present to the Board of Supervisors a written report containing the proposed decision and a recommendation on debarment, and a record of the hearing before the CHB.

5. The CHB shall give notice to the contractor of the proposed decision and recommendation. The notice shall include a copy of the proposed decision and recommendation and specify the date, time and place of the hearing before the Board of Supervisors. Delivery of the notice should be by certified mail to the contractor or the contractor's representative or attorney.

I. Board of Supervisors

When considering the proposed decision and recommendation of the CHB, the Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors has the right to modify, deny or adopt the proposed decision and recommendation of the CHB. A debarment determination shall become final upon approval of the Board of Supervisors.

J. Contract Data Base Entry

Designated departmental staff shall enter a Board of Supervisors' determination to debar a contractor into the County Contract Data Base. (See Section IV. B for information on the Contract Data Base.)

VIII. LIST OF DEBARRED CONTRACTORS

The Contract Data Base includes a listing of debarred contractors (Living Wage/Proposition A, cafeteria services, construction and technology contractors). Departmental staff shall append a copy of this listing to all IFB and RFP solicitations, as indicated in Section III. A.

IX. DEPARTMENT HEAD ANNUAL CERTIFICATION OF COMPLIANCE

Department heads are required to annually certify to the A-C that they have complied with all required procedures, including completing at least annual contractor performance reviews, inputting required information in the County Contract Data Base, and proceeding with non-responsibility and debarment procedures where required. A copy of this certification shall be included with the department heads' annual submission of performance assessments.

STANDARD SOLICITATION LANGUAGE

1. **Determination of Bidder [Proposer] Responsibility** (Use "Bidder" or "Proposer" as appropriate to the type of solicitation. Use "Contractor," "Consultant," "Vendor," etc., as appropriate to the type of contract.)
 - A. A responsible Bidder is a Bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.
 - B. Bidders are hereby notified that, in accordance with Chapter 2.202 of the County Code, the County may determine whether the Bidder is responsible based on a review of the Bidder's performance on any contracts, including but not limited to County contracts. Particular attention will be given to violations of labor laws related to employee compensation and benefits, and evidence of false claims made by the Bidder against public entities. Labor law violations which are the fault of subcontractors and of which the Bidder had no knowledge shall not be the basis of a determination that the Bidder is not responsible.
 - C. The County may declare a Bidder to be non-responsible for purposes of this contract if the Board of Supervisors, in its discretion, finds that the Bidder has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Bidder's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or omission which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.
 - D. If there is evidence that the [apparent low Bidder/highest ranked Proposer] may not be responsible, the Department shall notify the Bidder in writing of the evidence relating to the Bidder's responsibility, and its intention to recommend to the Board of Supervisors that the Bidder be found not responsible. The Department shall provide the Bidder and/or the Bidder's representative with an opportunity to present evidence as to why the

Bidder should be found to be responsible and to rebut evidence which is the basis for the Department's recommendation.

- E. If the Bidder presents evidence in rebuttal to the Department, the Department shall evaluate the merits of such evidence, and based on that evaluation, make a recommendation to the Board of Supervisors. The final decision concerning the responsibility of the Bidder shall reside with the Board of Supervisors.
- F. These terms shall also apply to proposed [subcontractors/subconsultants] of Bidders on County contracts.

2. Bidder Debarment

- A. The Bidder is hereby notified that, in accordance with Chapter 2.202 of the County Code, the County may debar the Bidder from bidding or proposing on, or being awarded, and/or performing work on other County contracts for a specified period of time, not to exceed 3 years, and the County may terminate any or all of the Bidder's existing contracts with County, if the Board of Supervisors finds, in its discretion, that the Bidder has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Bidder's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.
- B. If there is evidence that the [apparent low Bidder/highest ranked Proposer] may be subject to debarment, the Department shall notify the Bidder in writing of the evidence which is the basis for the proposed debarment, and shall advise the Bidder of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- C. The Contractor Hearing Board shall conduct a hearing where evidence on the proposed debarment is presented. The Bidder and/or the Bidder's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Bidder should be debarred, and, if so, the appropriate length of time of the debarment. The Bidder and the

Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

- D.** After consideration of any objections, or if no objections are received, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- E.** These terms shall also apply to proposed [subcontractors/subconsultants] of Bidders on County contracts.

STANDARD CONTRACT LANGUAGE

1. **Contractor Responsibility and Debarment** (Use "Contractor", "Consultant", "Vendor" etc. as appropriate to the type of contract.)
 - A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.
 - B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time not to exceed 3 years, and terminate any or all existing contracts the Contractor may have with the County.
 - C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.
 - D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

- E.** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- F.** After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G.** These terms shall also apply to [subcontractors/subconsultants] of County Contractors.

County of Los Angeles Public Library
7400 East Imperial Hwy., P.O. Box 7011, Downey, CA 90241-7011
(562) 940-8461. TELEFAX (562) 803-3032



MARGARET DONNELLAN TODD
COUNTY LIBRARIAN

February 16, 2005

VIA FACSIMILE AND U.S. MAIL

Nicholas P. Roxborough
Roxborough, Pomerance & Nye, LLP
5820 Canoga Avenue, Suite 250
Woodland Hills, CA 91367

Michael Sullivan, President/Owner,
Advanced Building Maintenance
10830 E. Whittier Boulevard
Whittier, CA 90606

Erlinda Sullivan, Vice President/Owner,
Advanced Building Maintenance
10830 E. Whittier Boulevard
Whittier, CA 90606

**NOTICE OF CONTINUANCE OF LOS ANGELES COUNTY DEBARMENT HEARING RE:
CONTRACTS WITH ADVANCED BUILDING MAINTENANCE
COMPANY: NEW DATE; MARCH 10, 2005; AND
REQUEST FOR CONFIRMATION OF APPEARANCE**

Dear Mr. Roxborough, Mr. and Mrs. Sullivan:

At your request of January 21, 2005, a continuance from the original hearing date of February 2, 2005 was granted to you on behalf of the Contractor Hearing Board.

You are hereby notified that the Debarment Hearing will be held on:

DATE: Thursday, March 10, 2005
TIME: 1:00 p.m. to 5:00 p.m.
LOCATION: Kenneth Hahn Hall of Administration
Room B-28 D
500 W. Temple Street
Los Angeles, CA 90012

The original hearing date was noticed by facsimile and U. S. mail on January 14, 2005 ("original notice"). Please take notice, as the attorneys and principals/owners for Advanced Building Maintenance Company, ("Advanced") that the County of Los Angeles in a proceeding initiated by the Public Library department on behalf of the County of Los Angeles and the three other involved County departments, intends to appear on the continued hearing date to bring debarment proceedings against Advanced Building Maintenance Company, Michael Sullivan, President/Owner, and Erlinda Sullivan, Vice President/Owner ("Contractor").

Please note that the definition of Contractor for purposes of debarment includes any subcontractor, vendor, or any person or entity who owns an interest of ten percent or more in the contractor, subcontractor, or vendor of your custodial services to the County of Los Angeles.

Serving the unincorporated areas of Los Angeles County and the cities of: Agoura Hills • Artesia • Avalon • Baldwin Park • Bell • Bell Gardens • Bellflower • Bradbury • Carson • Claremont • Compton • Cudahy • Culver City • Diamond Bar • Duarte • El Monte • Gardena • Hawaiian Gardens • Hawthorne • Hermosa Beach • Hidden Hills • Huntington Park • La Canada Flintridge • La Habra Heights • Lakewood • La Mirada • Lancaster • La Puente • La Verne • Lawndale • Lomita • Lynwood • Malibu • Manhattan Beach • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Rosemead • San Dimas • San Fernando • San Gabriel • Santa Clarita • South El Monte • South Gate • Temple City • Walnut • West Covina • West Hollywood • Westlake Village

Nicholas P. Roxborough
Michael Sullivan
Erinda Sullivan
February 16, 2005
Page 2

Debarment would prohibit Contractor from bidding upon, being awarded, and/or performing any work on any contract with the County of Los Angeles for a specified period of time not to exceed three (3) years. Chapter 2.202 of the Los Angeles County Code authorizes this debarment action. As previously mentioned in the first notification that was sent on January 14, 2005, by facsimile and mail, the County Code is available on line at the County website www.lacounty.info. Attached is an updated copy of the Implementation Guidelines and Procedures for Debarment Proceedings. Please discard the Guidelines that were sent out with the original notice.

At the Debarment Hearing the Contractor Hearing Board will hear evidence on the proposed debarment. At the hearing, Contractor is entitled to appear and/or be represented by an attorney or other authorized representative to present evidence against a finding of debarment. At the hearing, Contractor's representative may offer documentary evidence, present witnesses, and offer rebuttal evidence.

After the hearing, the Contractor Hearing Board will prepare a proposed decision. This decision will contain a recommendation to the Los Angeles County Board of Supervisors as to whether or not the Contractor should be debarred and, if so, the appropriate length of time for debarment. The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors has the right to modify, deny, or adopt the Contractor Hearing Board's proposed decision and recommendation. Any debarment finding becomes final upon the approval of the Board of Supervisors.

You are hereby notified that the Debarment Hearing will be held on:

| | |
|------------------|---|
| DATE: | Thursday, March 10, 2005 |
| TIME: | 1:00 p.m. to 5:00 p.m. |
| LOCATION: | Kenneth Hahn Hall of Administration Room B-28 D 500 W. Temple Street Los Angeles, CA 90012 |

This action is being taken as Contractor has violated a term of four contracts with the County Public Library, committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, or engaged in a pattern or practice which negatively reflects on same, and committed an act or offense, which indicates a lack of business integrity or business honesty and submitted false claims against the County. These acts were discovered during a review by the County Auditor-Controller of a number of Advanced contracts with four County Departments, the Public Library, the Internal Services Department, the Department of Public Works, and the Probation Department, and allegations of labor violations against Advanced by current and former employees. The facts supporting the County's allegations, are, in part, summarized in the audit report dated August 26, 2004, which includes a response from your company dated August 11, 2004, which was attached to the original notice. Other investigation of County records relating to the contracts with the Public Library also supports the County's position. It is the Library's position at this time that the evidence will show, among other things, that Advanced did not perform all of the specific tasks required by the contract, but that Advanced billed the County for tasks not performed on multiple occasions and was paid for work not performed.

You must confirm with the department, either orally or in writing, whether you and/or your representative intend to be present at the hearing. Your response must be received no later than 12 o'clock noon, on March 3, 2005. Failure to confirm the hearing date or otherwise respond to this office may result in Advanced waiving all rights to a hearing before the Contract Hearing Board ("CHB"). The County will provide Contractor a list of prospective witnesses and copies of all documentary evidence at least five (5) days prior to the scheduled hearing. If the Contractor intends to present evidence against the

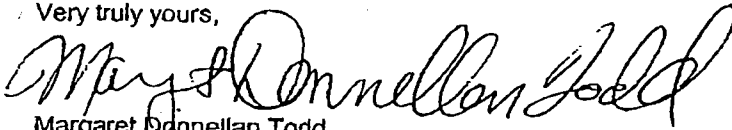
Nicholas P. Roxborough
Michael Sullivan
Erlinda Sullivan
February 16, 2005
Page 3

proposed debarment, the Contractor must also provide to the County a list of prospective witnesses and copies of any documentary evidence at least five (5) days before the hearing.

The parties must each provide the CHB five (5) copies of each item so exchanged: **The deadline date for exchange of the list and documents is March 3, 2005.** The mailing address for David Flint at the Library, and the department heads of the other involved departments, as well as the CHB are listed here for your convenience.

If you have any questions or wish to confirm your attendance at the hearing, please contact David Flint, Assistant Director, Finance and Planning, at (562) 940-8406.

Very truly yours,



Margaret Donnellan Todd
County Librarian

MDT:DF:jc

Attachments

c: County Counsel

Contractor Hearing Board
c/o Chief Administrative Office
723 Kenneth Hahn Hall of Administration
500 W. Temple St.
Los Angeles, CA 90012

David Flint, Assistant Director
Public Library
7400 E. Imperial Hwy
Downey, CA 90242

Don Wolfe, Acting Director
Department of Public Works
900 S. Fremont Ave.
Alhambra, CA 91803

Dave Lambertson, Director
Internal Services Department
1100 N. Eastern Ave., 2nd floor
Los Angeles, CA 90063

Paul Higa, Acting Chief Probation Officer
Probation Department
9150 E. Imperial Hwy
Downey, CA 90242

Jim Schneiderman, Chief Accountant Auditor
Auditor-Controller
1000 S. Fremont Ave.
Unit 51, Bldg. A9 East
Alhambra, CA 91803

EXHIBITS ENTERED INTO THE RECORD OF THE DEBARMENT HEARING OF ADVANCED BUILDING
MAINTENANCE COMPANY AND ITS PRINCIPAL OWNERS, MICHAEL SULLIVAN AND
ERLINDA SULLIVAN

County of Los Angeles, Public Library Department:

Hearing Brief, prepared by Helen S. Parker, Principal Deputy County Counsel and Thomas M. Tyrell, Principal Deputy County Counsel, consisting of:

❖ Witness List

- ❖ 12 Exhibits, including Contracts between Advanced and the County of Los Angeles; Auditor-Controller Audit Report dated August 26, 2004; Notice of Continuation of Debarment Hearing dated February 16, 2005; Notice of Continuance of Debarment Hearing dated January 1, 2005; Continuance of Debarment Hearing – Advanced Building Maintenance dated January 24, 2005; Portions and extracts of Auditor-Controller work papers; Memorandum of Exit Conference dated June 2, 2004; the Public Library's documentation of post-audit deductions; Minutes of the Los Angeles County Board of Supervisors, Synopsis No. 32; Board Letter and attachments dated October 28, 2004 concerning termination of contracts with Advanced Building Maintenance; Unofficial Transcript, Los Angeles County Board of Supervisors, Agenda Item No. 21 dated November 9, 2004 and August 2004 Advanced billing for Area 5 and the related Lynwood library closure memo to Advanced Building Maintenance

Advanced Building Maintenance Company:

Debarment Hearing Brief prepared by Lorne Lilienthal, Attorney at Law, consisting of

❖ Witness List

- ❖ 48 Exhibits, including Notice of February 2, 2005 Debarment Hearing; Notice of March 10, 2005 Debarment Hearing; Request for Proposals Regarding Library contract; Auditor-Controller report dated August 26, 2004, letter dated August 11, 2004 from Advanced Building Maintenance; letter dated July 2, 2004 from Advanced Building Maintenance; Exit Conference Report of June 2, 2004 Meeting; County Contract Violations; Specialty Crew Contract Requirements; Work Locations and Evaluation Requirements; 2004 Major Cleaning Schedule; contract Review Summary; Testwork Schedule for Angelo M. Iacoboni; Testwork Schedule for Artesia Library; Testwork for Chet Holifield Library; Testwork Schedule for City Terrace Library; Testwork Schedule for East Los Angeles Library; Testwork Schedule for Library Headquarters; Testwork Schedule for Lynwood Library; Testwork Schedule for La Verne Library; Testwork Schedule for Rowland Heights Library; Telephone Interview with Pat Varela; Testwork for 2003 Major Cleaning Schedule; September 29, 2003 Email regarding Advanced Building Maintenance;

Exhibits Entered into the Record of the Debarment Hearing
of Advance Building Maintenance Company
and its Principal Owners, Michael Sullivan and Erlinda Sullivan
Page 2

October 3, 2003 Letter regarding Area 5 Tasks; October 21, 2003 Letter regarding Area 6 Tasks; October 22, 2004 Letter regarding Area 5 Tasks; November 5, 2003 Letter regarding Area 6 Tasks; March 22, 2004 Email regarding Contract Award; March 23, 2004 Email regarding Advanced Building Maintenance's status; June 3, 2004 Email regarding Advanced Building Maintenance's review; September 9, 2004 Email regarding Advanced Building Maintenance's withholding; January 13, 2005 Letter regarding Contract Invoices with deduction charts; Labor Law allegation review status report; October 9, 2003 Briefing document; October 15, 2003 Labor Violation review; March 10, 2004 Review Audit Planning Memo; March 25, 2004 Request for Payroll information; Summary of Outstanding Allegations; Investigative Handwritten notes; Cooperative Trust fund Meeting dated November 11, 2003; Exit Conference Notes dated June 2, 2004 Meeting' 2003 Task Completion Forms; and 2004 Task Completion Forms.

**PARTICIPANTS IN THE CONTRACTOR HEARING BOARD DEPARTMENT PROCEEDINGS FOR
ADVANCED BUILDING MAINTENANCE COMPANY, MICHAEL SULLIVAN AND ERLINDA SULLIVAN
MARCH 10, MARCH 28, AND APRIL 6, 2005
1:00 P.M., 2:00 P.M., AND 9:00 A.M.
KENNETH HAHN HALL OF ADMINISTRATION
ASSESSMENT APPEALS BOARD ROOM B--28, ROOM D AND ROOM E
500 WEST TEMPLE STREET
LOS ANGELES, CA 90012**

CONTRACTOR HEARING BOARD

MARTIN ZIMMERMAN, CHAIR, ACTING BRANCH MANAGER, CHIEF ADMINISTRATION OFFICE
OZIE L. SMITH, SENIOR DEPUTY COMPLIANCE OFFICER, OFFICE OF AFFIRMATIVE ACTION
COMPLIANCE
ERIK UPDYKE, SENIOR CIVIL ENGINEER, DEPARTMENT OF PUBLIC WORKS
NANCY TAKADE, LEGAL ADVISOR TO THE CHB, SENIOR DEPUTY COUNTY COUNSEL
VINCENT AMERSON, CAO, STAFF TO THE CHB

PUBLIC LIBRARY DEPARTMENT

DAVID FLINT, ASSISTANT DIRECTOR
ROSE GARCIA, HEAD, FACILITIES SERVICES
PAT VARELA, ADMINISTRATIVE ASSISTANT II, CONTRACTING SECTION

AUDITOR-CONTROLLER DEPARTMENT

J. TYLER MCCAULEY, AUDITOR-CONTROLLER
AGGIE ALONSO, PRINCIPAL AUDITOR-CONTROLLER, AUDIT DIVISION
MICHAEL CLARK, SENIOR AUDITOR-CONTROLLER, AUDIT DIVISION
SANDRA GOMEZ, INTERMEDIATE AUDITOR-CONTROLLER, AUDIT DIVISION

ADVANCED BUILDING MAINTENANCE COMPANY

MICHAEL SULLIVAN, OWNER, ADVANCED BUILDING MAINTENANCE
LUCY DOMINGO, ADMINISTRATOR, ADVANCED BUILDING MAINTENANCE
WENDY GONZALEZ, PAYROLL CLERK, ADVANCED BUILDING MAINTENANCE
ALFONSO PARADA, OPERATIONS MANAGER, ADVANCED BUILDING MAINTENANCE
LORNE LILIENTHAL, ATTORNEY AT LAW

OFFICE OF THE COUNTY COUNSEL

HELEN S. PARKER, COUNSEL FOR THE PUBLIC LIBRARY, PRINCIPAL DEPUTY COUNTY COUNSEL
THOMAS M. TYRRELL, COUNSEL FOR THE AUDITOR-CONTROLLER, PRINCIPAL DEPUTY COUNTY
COUNSEL